

August 24, 2021

The Manager
The Department of Corporate Services
BSE Limited
P. J. Towers,
Dalal Street, Mumbai - 400 001
Scrp Code - 540775

The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Symbol - KHADIM

Dear Sir / Madam,

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Sub: Investor Presentation (Q1 FY22 Results)

This is with reference to our letter dated August 21, 2021 with respect to Investor Meet scheduled to be held today, i.e., August 24, 2021.

Pursuant to the provisions of Regulation 30 of the Listing Regulations, we enclose herewith our presentation on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2021 which would be presented before the investors.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For **Khadim India Limited**

Company Secretary & Head – Legal

Membership No. A21358

Encl: As above

KHADIM INDIA LIMITED

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KOLKATA-700 071, INDIA, Tel No. +91-33-4009 0501, Fax No. + 91-33-4009 0500
E-mail: compliance@khadims.com; Website: www.khadims.com
CIN: L19129WB1981PLC034337



Q1 FY22

KHADIM INDIA LIMITED

———— RESULTS PRESENTATION AUGUST 2021 ————

DISCLAIMER

This presentation and the following discussion may contain “forward looking statements” by Khadim India Limited (“Khadim” or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Khadim about the business, industry and markets in which Khadim operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Khadim’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Khadim.

In particular, such statements should not be regarded as a projection of future performance of Khadim. It should be noted that the actual performance or achievements of Khadim may vary significantly from such statements.



DISCUSSION SUMMARY

BUSINESS OVERVIEW

Q1 FY22 RESULTS

BUSINESS STRATEGY
& OUTLOOK

FINANCIAL &
OPERATIONAL SUMMARY

MANAGEMENT TEAM &
SHAREHOLDING PATTERN



BUSINESS
OVERVIEW




BRITISH WALKERS®
POWER STRIDE

QUICK SNAPSHOT



'Affordable Fashion' for the entire family for every occasion

Leading Footwear Brand in India

1

- 2nd largest footwear retailer in India
- Largest presence in East India
- One of the top 3 players in South India
- Largest footwear retail franchise network in India

Extensive Reach & Presence

2

- Retail presence across 23 states & 1 union territory
- 758 'Khadim's' branded retail stores (Jun-21)
- Wide network of 583 distributors selling to MBOs across India (Jun-21)

Two pronged Market Strategy

3

- Two distinct business models – retail & distribution, each with its own customer base, product range, sales channels.
- Ability to capitalize on the growth potential of both the markets and de-risk dependence on any one business.

Asset Light Model for Growth

4

- **Retail business**
72% of retail presence through franchise route Outsource 86% of product requirement (FY21)
- **Distribution business**
Highly scalable model on the front end
Mix of in-house and contract manufacturing.

Strong Design Capabilities

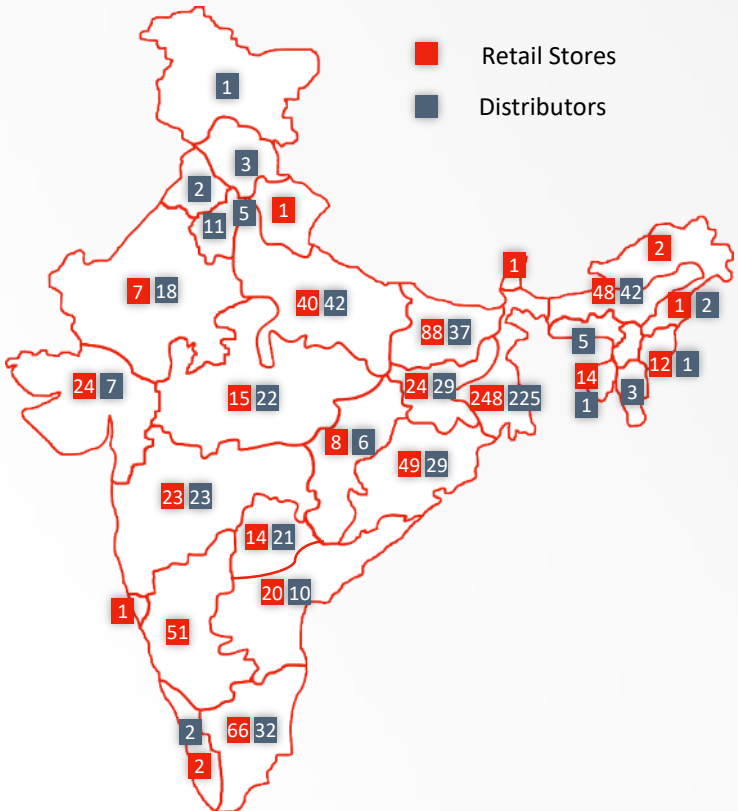
5

- Understanding latest domestic & global fashion trends.
- Strong design capabilities have helped create and grow sub-brands, drive premiumisation and target and retain aspirational customers.
- This has led to higher ASP and gross margin.

EXTENSIVE GEOGRAPHICAL REACH & PENETRATION

Presence in 23 States & 1 Union Territory

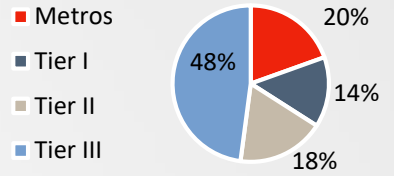
■ Retail Stores
 ■ Distributors



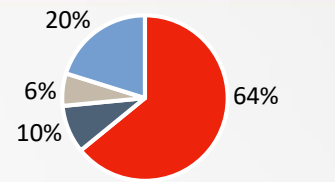
Brand Network Jun '21

| | |
|----------------------|------------|
| Retail Stores | 758 |
| - COCO | 213 |
| - Franchises | 545 |
| Distributors | 583 |

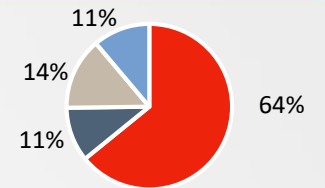
Retail Stores – Tier wise



Retail Stores – Zone wise



Distributors – Zone wise



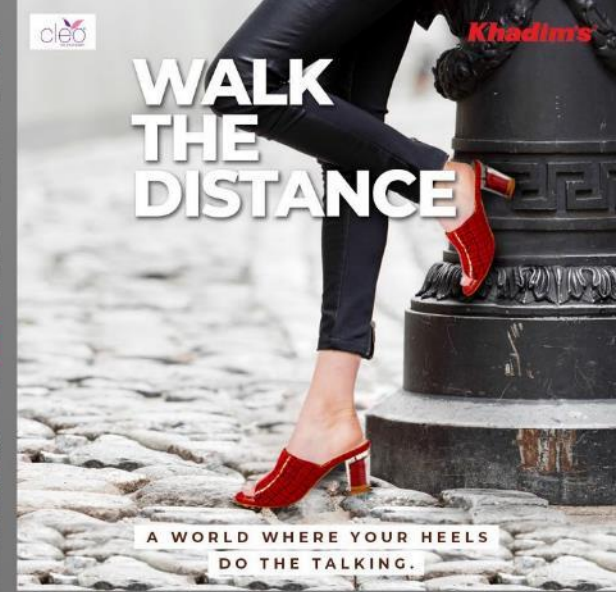
■ East
 ■ West
 ■ North
 ■ South

■ East
 ■ West
 ■ North
 ■ South

BUSINESS
UPDATES



SOCIAL MEDIA PRESENCE



SHOP FOR ₹1199
& GET COMPLIMENTARY 3-MONTH
AMAZON PRIME MEMBERSHIP
WORTH ₹329

amazon prime

Video | Music | Delivery & more

SHOP NOW





STORES OPENING ACTIVITIES



Banner / Hoarding



Whatsapp mgs



Standee



Leaflet



Mobile van



Toto branding



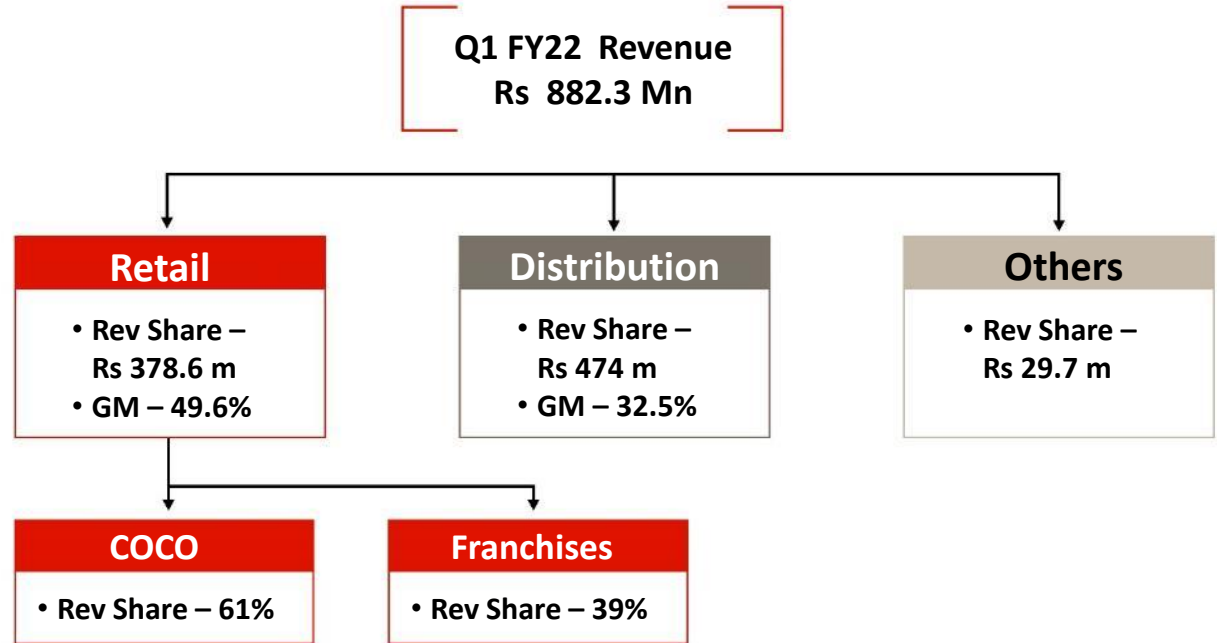


Q1 FY22
RESULT UPDATE

**Q1 FY22
BUSINESS
HIGHLIGHT**

- After having most of our store network open in Q4FY21, we saw footfalls recover to the pre-pandemic levels. Unfortunately, the encouraging trend was halted by the emergence of the second wave of COVID
- In May 2021, we witnessed store closure across many states due to lockdown and gradual reopening started from June 2021
- Revenue impact owing to lockdown was less severe compared to Q1FY21
- Gross Margins for the quarter improved substantially year on year in both retail & distribution verticals.

RESULT HIGHLIGHT Q1 FY22

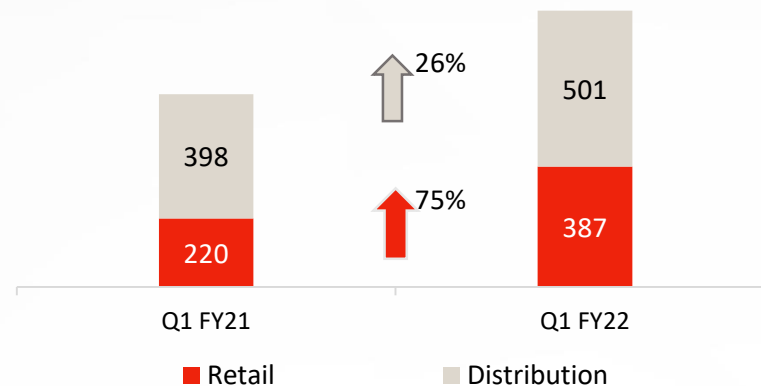


Asset Light Model for Frontend Expansion and Scalability

- **Retail Business** – Expand into new markets through COCO stores and further augment the presence through franchise stores. 72% of retail presence is through franchise route
- **Distribution Business** – Highly scalable model to capitalise on retail brand recall and target new markets

Q1 FY22 RESULTS: SEGMENT ANALYSIS

Q1 FY22 YoY ANALYSIS – REVENUE* BREAKUP



| Segment Share % * | Q1 FY21 | Q1 FY22 |
|-------------------|---------|---------|
| Retail | 34.7% | 41.7% |
| Distribution | 62.8% | 54.1% |

| Gross Margin % | Q1 FY21 | Q1 FY22 |
|----------------|---------|---------|
| Retail | 46.0% | 50.6% |
| Distribution | 34.7% | 36.2% |

*All figures without IND-AS adjument In Rs Mn

CONSOLIDATED PROFIT & LOSS STATEMENT

| Particulars (In Rs Mn) | Q1 FY22 | Q1 FY22 | YoY % | Q4 FY21 | QoQ % | FY21 |
|------------------------|---------------|---------------|----------------|----------------|-----------------|----------------|
| Revenue | 882.3 | 604.0 | 46.1% | 2,699.5 | -67.3% | 6,261.8 |
| COGS | 570.6 | 431.9 | 32.1% | 2,097.6 | -72.8% | 4,458.5 |
| Gross Profit | 311.7 | 172.1 | 81.1% | 601.9 | -48.2% | 1803.2 |
| Gross Margin % | 35.3% | 28.5% | 683 bps | 22.3% | 1303 bps | 28.8% |
| Employee Expenses | 120.2 | 153.3 | -21.6% | 150.1 | -19.9% | 608.1 |
| Other Expenses | 195.1 | 161.5 | 20.8% | 310.9 | -37.3% | 1161.4 |
| EBITDA | -3.6 | -142.7 | - | 140.9 | - | 33.8 |
| EBITDA Margin % | -0.4% | -23.6% | - | 5.2% | - | 0.5% |
| Depreciation | 91.7 | 102.4 | -10.5% | 92.3 | -0.7% | 392.4 |
| Finance Cost | 54.7 | 64.6 | -15.3% | 59.5 | -8.0% | 253.8 |
| Other Income | 38.7 | 36.3 | 6.6% | 35.2 | 9.8% | 180.8 |
| PBT | -111.3 | -273.4 | - | 24.3 | - | -431.5 |
| Tax Expense | -2.4 | 4.1 | - | -90.9 | - | -102.1 |
| PAT | -108.9 | -277.6 | - | 115.2 | - | -329.4 |





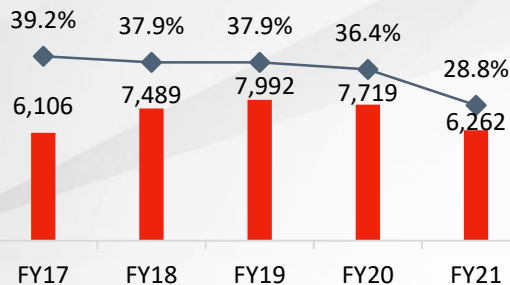
**FINANCIAL
&
OPERATIONAL
SUMMARY**



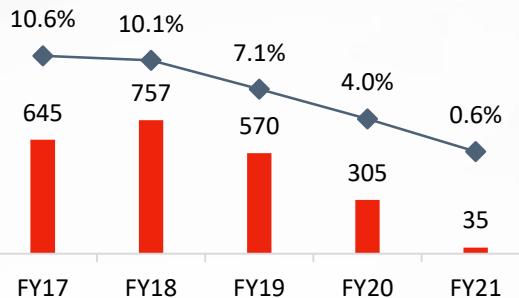
FINANCIAL SUMMARY

In Rs Mn

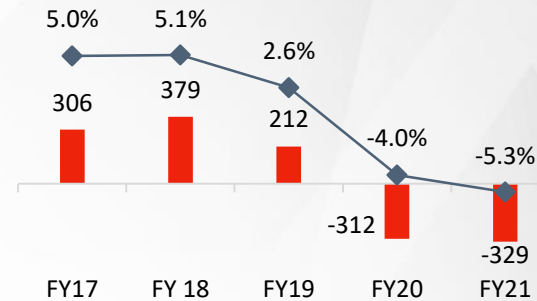
Revenues & Gross Margin



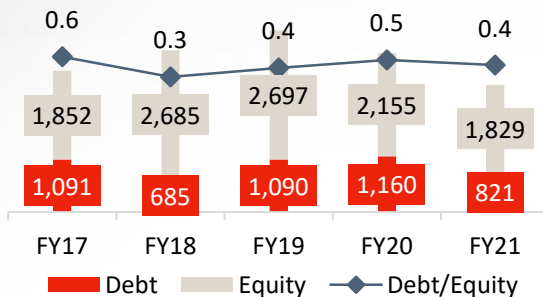
EBITDA & EBITDA Margin



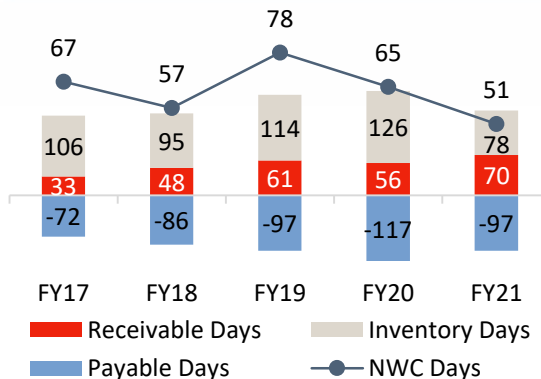
PAT & PAT Margin



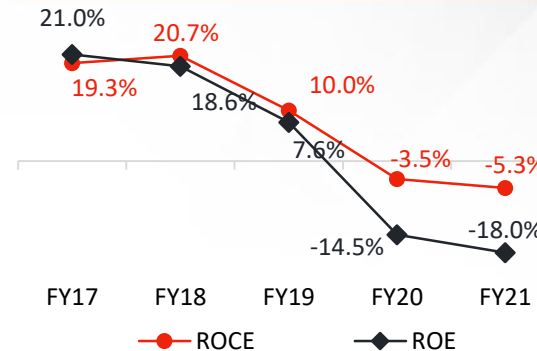
Leverage Analysis



Working Capital Analysis



Return Ratios *



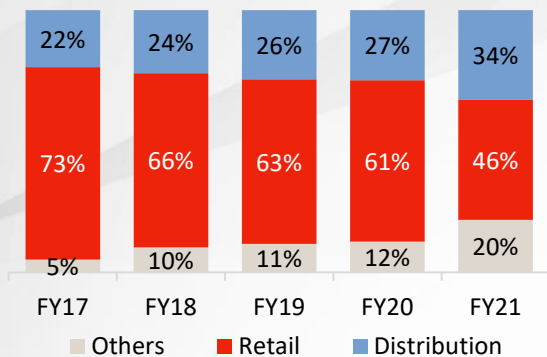
FY17 onwards, numbers are as per IND-AS, while those in previous years are as per I-GAAP.
Sales scheme and commissions were included in sales in I-GAAP, these are deducted in IND-AS and net sales are reported

* Return ratios are calculated excluding amalgamation reserve of Rs. 230mn

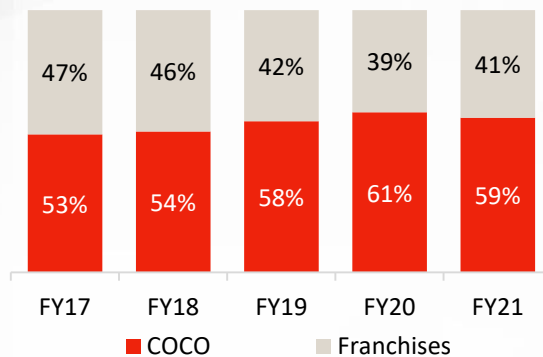
FINANCIAL SUMMARY

In Rs Mn (I-GAAP)

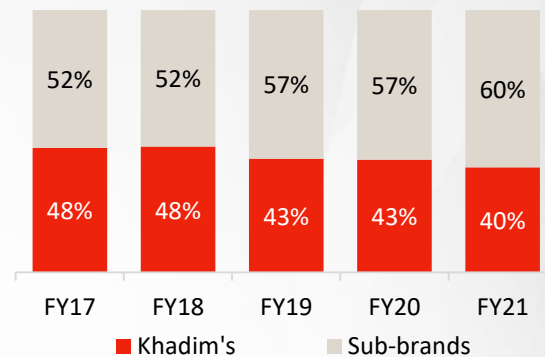
Revenues – Segment wise



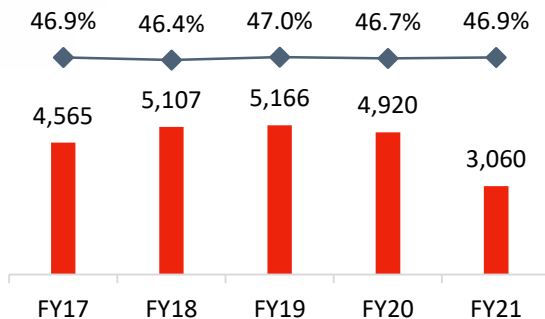
Retail Revenues – COCO vs Franchises



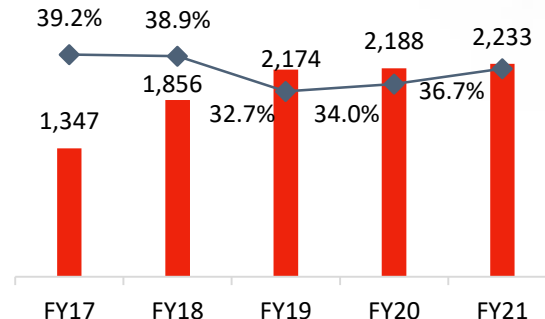
Retail Revenues – Khadim's vs Sub-brands



Retail Revenues & Gross Margin



Distribution Revenues & Gross Margin





**BUSINESS
STRATEGY
& OUTLOOK**



TWO-PRONGED BUSINESS MODEL & GROWTH STRATEGY

Reach

Target Segment

Price & Product Range

Sourcing

RETAIL BUSINESS

758 'Khadim's exclusive branded outlets

Middle & upper middle income consumers in metros (incl. mini metros), Tier I – III cities

Rs 74 – Rs 3,699

Leather / non-leather sandals, slippers, boots, ballerinas, stilettos, moccasins, sports shoes and accessories*

86% outsourced (FY21) – smaller quantities of premium high quality products

DISTRIBUTION BUSINESS

583 distributors supplying to MBOs across India

Lower & middle income consumers in Tier I – III cities, who shop in MBOs

Rs 64 – Rs 999

EVA, basic and premium Hawaii, PVC, PVC DIP and PU and Stuck On products

Own manufacturing and contract manufacturing facilities



Expand Store Network pan-India with focus on Premiumisation, Asset Light Model & optimum capacity utilisation

RETAIL BUSINESS

- Expanding retail footprint in markets across South India, West India and in North India
- Focus on entering into new markets through COCOs and further augment presence in such markets through franchisees

DISTRIBUTION BUSINESS

- Focus on penetration in existing markets in Eastern and Southern India and capitalise on retail brand recall and target markets in West and North India
- Increase utilisation of existing installed capacity and invest in machines and moulds at existing manufacturing facilities

*Accessories includes socks, shoe polishes, brushes, leather belts, wallets, laptop bags etc.



**WIDE PRODUCT
RANGE ACROSS
VARIOUS
CATEGORIES & PRICE
POINTS**

**'Affordable Fashion' brand catering to
the entire family for all occasions**



MEN / WOMEN / KIDS
Fashionable & casual footwear
for value conscious customers



Menswear
Formal shoes &
sandals using
premium quality leather



LAZARD

Menswear Semi-formal &
casual shoes / sandals, using
premium quality leather and faux leather



Men & Women wear
Sports / activity sneakers / floater
sandals in mesh / synthetic / canvas uppers



softouch™

Men & Women wear
Closed & open shoes / sandals
using premium quality soft leather
and faux leather



SHARON™
EASERS

Womenswear
Fashionable yet functional sandals using
premium quality faux leather



cleo™
THE STYLE STORY

Womenswear
Light & trendy sandals using premium
quality faux leather



TURK™
Super Style

Menswear
Outdoor boots / sandals using
premium quality faux leather



adrianna™
walk like a princess

Womenswear
Comfortable and fashionable
footwear for pre-teen and
teenage girls



bonito™
fun together

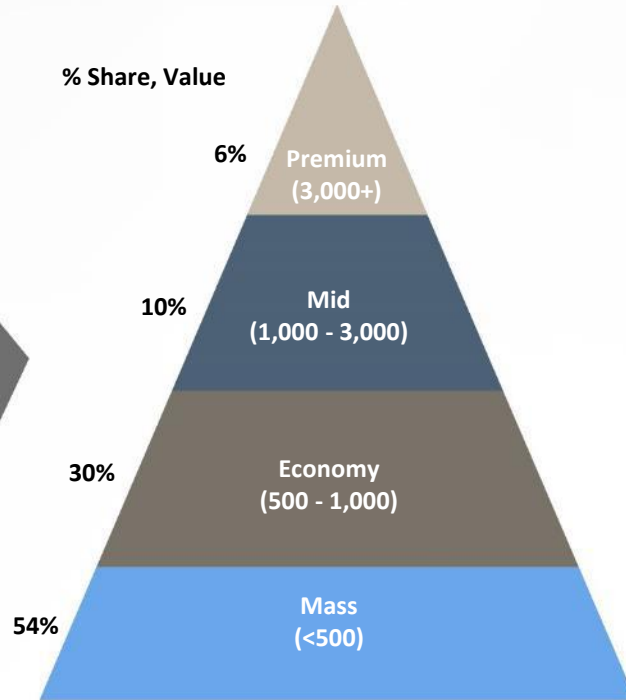
Kidswear
Range of fun and colourful shoes for
toddlers and children



DISTINCT BRAND POSITIONING FOR VARIOUS MARKET SEGMENTS

Khadim's brand presence and product range makes it capable to address ~85% of the total Indian footwear market potential

Footwear Market Segmentation
(MRP at retail stores in Rs)



Khadim's is well positioned to tap the industry growth potential across both retail and distribution segments

Distinct brand positioning to target customers

Across all price segments

| MENSWEAR | WOMENSWEAR | KIDS |
|----------|------------|------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |



**PROMOTER, BOARD OF DIRECTORS
&
MANAGEMENT TEAM**

www.khadims.com



Siddhartha Roy Burman
Chairman &
Managing Director

- Associated with the Company since its incorporation. He has 34 years of experience in the footwear industry
- Responsible for the overall strategic decision making and provides leadership to all operations



Dr Indra Nath Chatterjee
Non-Executive,
Independent Director

- 42 years of experience in multi-national companies
- Earlier worked with Hinduja Group, Jindal Drilling & Industries, ONGC, Tata Motors, Indian Airlines, Calcutta Business School, IFFCO- Tokio General Insurance Co.



Alok Chauthmal Churiwala
Non-Executive,
Independent Director

- Over 20 years experience in capital markets, IIM-A & ISB alumnus
- Former Vice Chairman of BSE Broker Forum, Board member of ICSA (Int. Council for Securities Assoc.) & advisory Board of ICCL (Indian Clearing Corporation Ltd)



Prof. (Dr.) Surabhi Banerjee
Non-Executive,
Independent Director

- 37 years of experience as an academician
- Earlier associated with Netaji Subhas Open University as the vice chancellor, with Gour Banga University as the vice-chancellor, and with the Central University of Orissa as vice-chancellor



Ritoban Roy Burman
Non-Executive, Director

- He is a graduate in Mass Communication from St. Xavier's College, Kolkata.
- He joined Khadim India Limited in 2013 as Manager-Marketing and worked till 30th November 2017. He has gained exposure in various aspects of footwear marketing during his tenure



Rittick Roy Burman
Wholetime Director

- Bachelor's degree in commerce from University of Calcutta
- Management Graduate from University of California
- He has taken charge of driving long-term strategy, new initiatives and merchandising

EXPERIENCED MANAGEMENT TEAM



Namrata Chotrani

CEO

- Namrata A. Chotrani has joined Khadim India Limited as a CEO in November 2019.
- She has previously been associated with the Company for 8 years in various roles including non-voting observer and Nominee Director, representing Fairwinds Private Equity and as Non-Executive, Non-Independent Director of the Company.
- She was associated with Fairwinds Private Equity, a sector agnostic India dedicated fund, since 2012. At Fairwinds, she was part of the investment team where she was focused on mid-market companies in consumer, healthcare and industrial sector among others. Prior to joining Fairwinds Asset Managers Limited, she was associated with KPMG. Namrata has more than a decade of experience in the field of private equity and M&A advisory.
- She holds a Master's Degree in Business Administration from INSEAD and a Bachelor's Degree in Commerce from the H. R. College of Commerce & Economics, Mumbai University



Indrajit Chawdhuri

CFO

- Indrajit Chawdhuri has joined Khadim India Limited in May 2007
- He has 20+ years of experience in Finance & Accounts, Taxation and Strategic Planning.
- He is responsible for the finance, accounts, taxation and treasury management and overall Financial Control. Additionally, he is also responsible for the Legal and Secretarial, Information Technology and General Administration.
- He is a Fellow Member of the Chartered Accountants of India and also holds a master's degree in commerce from the University of Calcutta



Tapas Ghosh

**GM, Business Development
& Systems**

- Tapas Ghosh has joined Khadim India Limited in 1997
- He has 24+ years of experience in accounts, strategic planning, IT, business development and sales
- He is responsible for the COO sales in the company
- He holds bachelor degree in commerce from Calcutta University



Aranya Ray

GM - Supply Chain Management

- Aranya Ray has joined Khadim India in August 2005
- He has 21+ years of experience in supply chain operations, buying and merchandising. He was previously worked with ICI India Limited and ITC Limited
- He is responsible for supply chain, logistics, procurement and merchandising in the company
- He holds a MBA degree from SMU



Kaushik Dutta

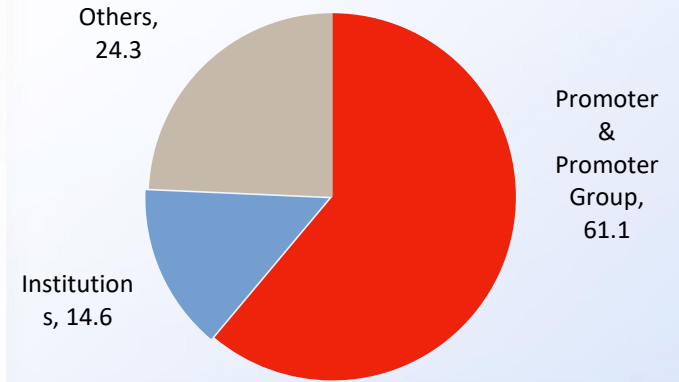
AGM - Sales

- Kaushik Dutta has joined Khadim India in March 2007
- He has 17+ years of experience of retail operations & planning. He was previously associated with Pantaloons Retail India Ltd.
- He is responsible for heading the franchisee business operation Pan India.
- He holds PGCBM diploma from XLRI Jamshedpur



SHAREHOLDING STRUCTURE

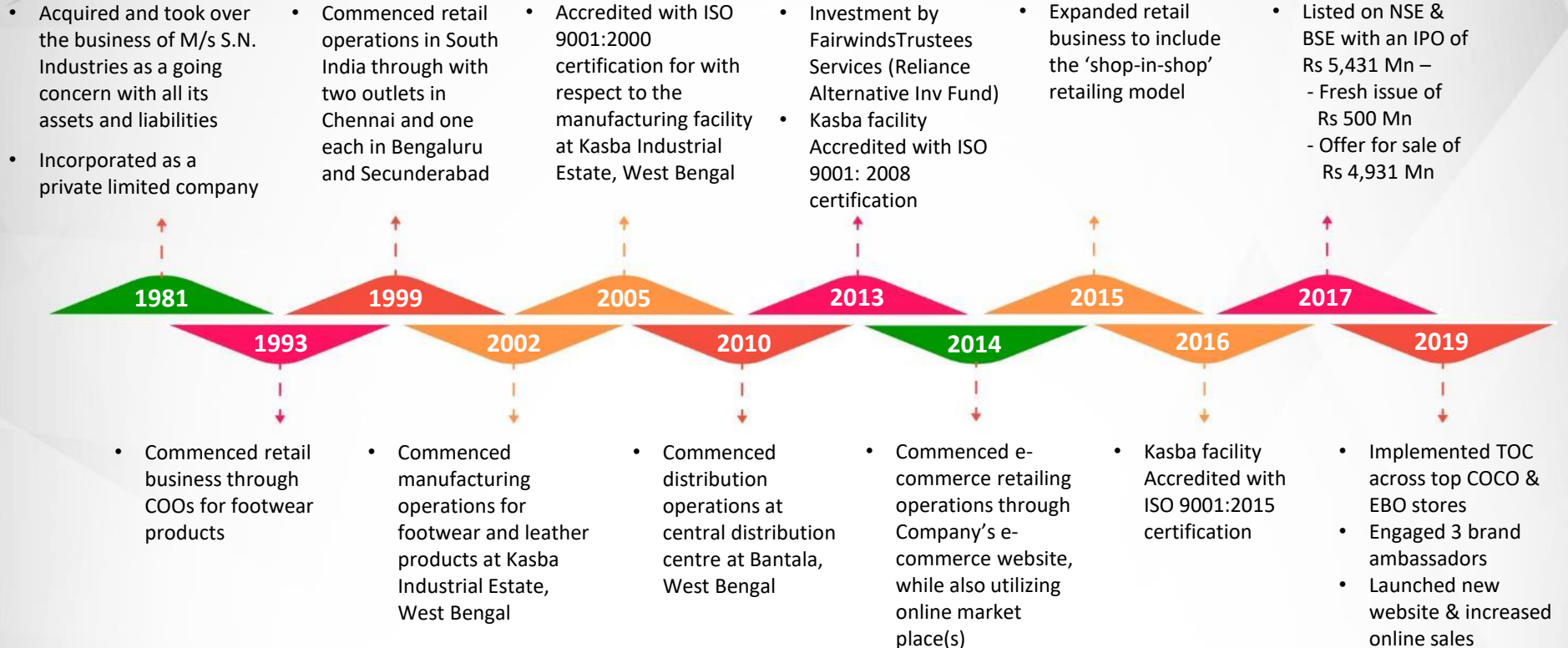
% Shareholding – Jun '21

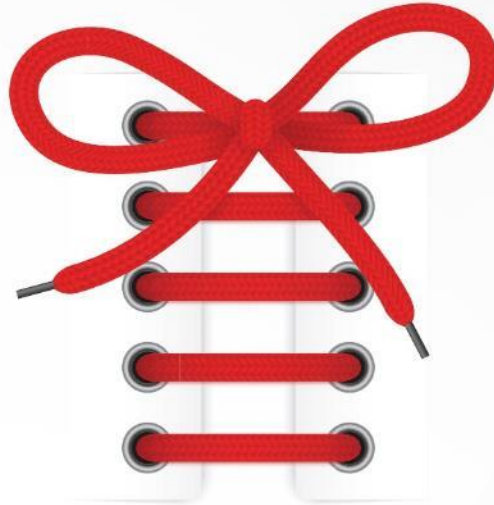


| Key Institutional Investors | % Holding |
|-----------------------------|-----------|
| UTI MF | 4.6% |
| SUNDARAM MUTUAL FUND | 4.5% |
| IDFC MUTUAL FUND | 3.6% |
| TRUSTLINE DEEP ALPHA | 1.9% |



KEY MILESTONES





NAMRATA CHOTRANI - CEO

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DICKENSON

Vikash Verma/ Nachiket Kale
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